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# *Credit Union Department*



## *NEWSLETTER*

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No. 04-04

[www.tcad.state.tx.us](http://www.tcad.state.tx.us)

April 30, 2004

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### **NOTICE OF LEGISLATIVE ADVISORY COMMITTEE MEETING**

The Legislative Advisory Committee will meet in Austin on Friday, May 21, 2004, at 9:00 am, in the conference room of the Department. [\(Click here for the draft copy of the agenda\).](#)

### **AUTOMATED LOAN APPROVAL**

The board of directors has the ultimate responsibility for developing and adopting comprehensive written loan policies. If the board is going to permit automated loan approval based on predetermined lending criteria, the credit union's loan policies must appropriately address this type of product. Specifically, the predetermined loan approval criteria must be clearly defined and documented in the loan policies. All such approval criteria must be explicitly approved by the board and reflected in the board minutes. In addition, the board should regularly review approved criteria and make adjustments promptly when appropriate, to ensure the criteria reasonably reflect the credit union's strategic goals and does not expose the credit union to undue risk.

### **ELECTION RULES**

Each year during the first quarter of the year, the Department receives telephone calls concerning unusual circumstances related to the election of directors at the annual meeting. The credit union's election procedures often do not fully address potential issues such as disputed election results, control and retention of the ballots, nominations from the floor, etc. The standard bylaws for state-chartered credit unions require the board of directors to prescribe election rules as part of their written board policies. In order to avoid potential problematic situations at the credit union's annual meeting, a periodic review of the adequacy of the election policies and procedures by the board of directors is recommended.

### **CALL REPORT SUBMITTAL**

Since December of 2002, credit unions with internet access have had the option of submitting their quarterly call reports electronically via the eSend program. We would like to thank those credit unions that have participated in the program. This method of call report submittal has proven to be very reliable and efficient.

**PUBLISHING NOTICE OF  
APPLICATIONS IN THE TEXAS  
REGISTER**

In order to meet the submission deadlines for the applicable issues of the Texas Register, it is necessary for the Department to establish the schedule included below. Completed applications received after the deadline for the month cannot be published until the following month.

| <b><u>Published In</u></b> | <b><u>Deadline for Receipt</u></b> |
|----------------------------|------------------------------------|
| May, 2004                  | Friday, May 14                     |
| June, 2004                 | Friday, June 11                    |
| July, 2004                 | Friday, July 16                    |

**REPORT OF OFFICIALS FOR 2004**

In meeting the requirements of Section 122.060 of the Finance Code [Certificate of Election], credit unions are reminded to file a report of officials with the Department not later than the **30<sup>th</sup>** day after the date of the election of officers. If you have misplaced or need additional copies of the form, please contact us or visit our website at [www.tcred.state.tx.us](http://www.tcred.state.tx.us). Please be advised that failure to submit the required form may result in the assessment of a late penalty.

**HOLIDAY SCHEDULE FOR TCRD**

The Department's office will be closed on May 31, 2004 in observance of Memorial Day.

**APPLICATIONS APPROVED**

Applications approved since March 31, 2004 include:

**Credit Union**

Field of Membership Change(s) Approved:

**First Educators Credit Union** (Houston) (#2)  
**First Educators Credit Union** (Houston) (#3)  
**First Educators Credit Union** (Houston) (#4)  
**First Educators Credit Union** (Houston) (#5)  
**Graphic Arts Credit Union** (Houston)  
**West Texas Educators Credit Union** (Odessa)

**Changes or Groups Added**

See Newsletter No. 03-04  
See Newsletter No. 03-04  
See Newsletter No. 03-04  
See Newsletter No. 03-04  
See Newsletter No. 03-04  
See Newsletter No. 03-04

Articles of Incorporation Change(s) Approved:

**PIA of Texas Credit Union** (Dallas)  
**Houston Energy Credit Union** (Houston)  
**Vought Heritage Community Credit Union** (Grand Prairie)

See Newsletter No. 03-04  
See Newsletter No. 03-04  
See Newsletter No. 03-04

Field of Membership Change(s) Closed File:

**Scott & White Employees Credit Union** (Temple) (#2)  
**Scott & White Employees Credit Union** (Temple) (#4)  
**Scott & White Employees Credit Union** (Temple) (#5)

See Newsletter No. 01-04  
See Newsletter No. 01-04  
See Newsletter No. 01-04

## **APPLICATIONS RECEIVED**

The following applications were received and published in the April 30, 2004 issue of the Texas Register.

Field of Membership Expansion(s):

**Community Service Credit Union** (Huntsville) -- To permit Friends of the Texas Credit Union Foundation, its employees, members, and their family members residing in the counties of Grimes, Houston, Madison, Montgomery, Trinity and San Jacinto, Texas, to be eligible for membership in the credit union.

**First Class American Credit Union** (Fort Worth) -- To permit persons who live in, worship in, attend school in, or work in Tarrant County, Texas, to be eligible for membership in the credit union.

**Graphic Arts Credit Union** (Houston) -- To permit Employees, members, and owners of companies in the graphic arts industries in Harris, Galveston, Montgomery, Waller, Fort Bend and Brazoria Counties, Texas, to be eligible for membership in the credit union.

**S&S Credit Union** (Houston) -- To permit persons who live, work, worship, or attend school within 10 miles of S&S Credit Union's office located at 3101 Harrisburg Blvd., Houston, Texas, to be eligible for membership in the credit union.

**Fort Worth Community Credit Union** (Bedford) (#1) -- To permit persons who live, work, or attend school in Collin County, Texas, to be eligible for membership in the credit union.

**Fort Worth Community Credit Union** (Bedford) (#2) -- To permit persons who live, work, or attend school in Dallas County, Texas, to be eligible for membership in the credit union.

**Fort Worth Community Credit Union** (Bedford) (#3) -- To permit persons who live, work, or attend school in Denton County, Texas, to be eligible for membership in the credit union.

**Fort Worth Community Credit Union** (Bedford) (#4) -- To permit persons who live, work, or attend school in Johnson County, Texas, to be eligible for membership in the credit union.

**Fort Worth Community Credit Union** (Bedford) (#5) -- To permit persons who live, work, or attend school in Parker County, Texas, to be eligible for membership in the credit union.

**Educators Credit Union** (Waco) -- To permit persons who live or work, or businesses in McLennan County, Texas, to be eligible for membership in the credit union.

**Baytown Teachers Credit Union** (Baytown) -- To permit persons who live, work, attend school or worship and businesses located within the geographical boundaries of Goose Creek ISD, Barbers Hill ISD, and Crosby ISD, to be eligible for membership in the credit union.

**Access Credit Union** (Amarillo) -- To permit persons who worship in Potter and Randall Counties, Texas, to be eligible for membership in the credit union.

The following application was received and will be published in the May 14, 2004 issue of the Texas Register.

Field of Membership Expansion(s):

**Credit Union of Texas** (Dallas) – To include members and employees of The Starfish Foundation, to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Merger(s) or Consolidation(s) Changes:

An application was received from **Corsicana Municipal Employees Credit Union** (Corsicana) seeking approval to merge with **Navarro Credit Union** (Corsicana) with the latter being the surviving credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

